

Message Text

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ACTION EB-08

INFO OCT-01 EUR-12 IO-13 ISO-00 AGR-01 CEA-01 CIAE-00

COME-00 DODE-00 FRB-03 H-01 INR-10 INT-05 L-03

LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15

STR-07 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02 OMB-01

DOE-15 JUSE-00 AF-10 ARA-10 EA-10 NEA-10 /167 W

-----001237 142037Z /46

R 131735Z APR 78

FM AMEMBASSY ROME

TO SECSTATE WASHDC 2091

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LUXEMBOURG

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY THE HAGUE

USMISSION GENEVA

LIMITED OFFICIAL USE ROME 6908

USEEC ALSO FOR EMBASSY

USMTN ALSO FOR MISSION

EO 11652: NA

TAGS: ETRD, MTN, IT

SUBJ: MTN AND US INDUSTRIAL TARIFF OFFER

REF: (AMBASSADOR MCDONALD LETTER TO ECMIN OF 3/29/78;

(B) BRUSSELS 6944

1. ECMIN AND EMBOFF RAISED SUBJECT OF US INDUSTRIAL STARIFF

OFFER AND OTHER MTN ISSUES ON APRIL 12 WITH MINISTER

RENATO RUGGIERO, RANKING MFA OFFICIAL FOR TRADE AND EC

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ECONOMIC MATTERS, AND ROBERTO NIGIDO, DIRECTOR OF MFA OFFICE

FOR EC AND GATT AFFAIRS. ECMIN DREW ON CONTENTS REF A AND

PRESENTED COPIES OF ITS ENCLOSED TABLES WHICH PROVIDE DATA

ON U.S. GREATER-THAN-FORMULA CUTS. ECMIN AND EMBOFF URGED

THAT GOI (AND OTHER EC MEMBERS) MAKE REALISTIC AND

CAREFUL EVALUATION OF THESE CUTS.

2. WHILE RUGGIERO DID NOT DIRECTLY RESPOND ON NEED FOR REALISTIC EVALUATION OF GREATER-THAN-FORMULA CUTS, HE AGREED ON PRINCIPLE THAT TARIFF OFFERS WOULD BE PROGRESSIVELY SCALED DOWN. HE SAID GOI DELEGATION HAD STRONGLY URGED THAT EC NEGOTIATORS SEEK IMPROVEMENT OF OFFERS BEFORE PROCEEDING TO TABLE TWO-PART WITHDRAWALS-- THE FIRST TO OFFSET U.S. EXCEPTIONS AND SECOND TO OFFSET ANY FAILURES TO MEET NON-TARIFF OBJECTIVES. (THIS VERSION OF GOI POSITION CONTRASTS WITH THAT REPORTED REF B.) RUGGIERO SAID GOI WAS RELUCTANT TO HAVE EC TABLE WITHDRAWALS BECAUSE GOI AND OTHER GOVERNMENTS WOULD BE DELUGED BY INDUSTRY DEMANDS FOR ADDITIONAL WITHDRAWALS.

3. ECOMIN AND EMBOFF AGAIN STRESSED NEED TO ENSURE THAT U.S. GREATER-THAN-FORMULA CUTS ARE PROPERLY VALUED AND NOT IGNORED FOR THEORETICAL OR TACTICAL REASONS. RUGGIERO BRIEFLY REFERRED TO EC DESIRE FOR HARMONIZATION OF TARIFFS.

4. ECOMIN TOOK OPPORTUNITY TO STRESS IMPORTANCE U.S. PLACES ON REACHING AN AGREEMENT ON A COUNTERVAILING DUTY/SUBSIDY CODE. RUGGIERO AND NIGIDO TOOK LONG-STANDING EC POSITION THAT U.S. MUST ALTER ITS COUNTERVAILING DUTY LAW TO BRING IT INTO CONFORMITY WITH GATT, ESPECIALLY AS REGARDS THE LIMITED OFFICIAL USE

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INJURY TEST, AND THAT IT WOULD BE EXTREMELY DIFFICULT TO DO ANYTHING ABOUT SUBSIDIES ESPECIALLY IN CURRENT ECONOMIC SITUATION. EMBOFF MENTIONED THAT "EVEN IN ITALY" SUBSIDIZATION OF INDUSTRIES WAS BEING INCREASINGLY QUESTIONED DESPITE RECENT PROPOSALS AND MEASURES THAT WOULD PROVIDE FURTHER SUBSIDIES. HE INDICATED CONCERN FOR THE COURSE OF U.S.-ITALIAN ECONOMIC RELATIONS SHOULD A COUNTERVAILING DUTY/SUBSIDY CODE NOT BE WORKED OUT AT GENEVA. GARDNER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TARIFFS, NEGOTIATIONS, TARIFF LIBERALIZATION
Control Number: n/a
Copy: SINGLE
Draft Date: 13 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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ISecure: 1
Legacy Key: link1978/newtext/t19780459/aaaabxrn.tel
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Litigation History:
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Original Classification: LIMITED OFFICIAL USE
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